



FEATURE

NEGOTIATE LIKE AN **INTERROGATOR**

By Michael Reddington, CFI

Negotiation is synonymous with terms ranging from compromise and mediation to haggle and...interrogation. It is not difficult to argue the fact that interrogations represent the hardest form of negotiating. When people enter into negotiations or mediations, they understand they may need to sacrifice some of their interests in order to reach a mutual agreement because both parties, at some level, have shared interests.

On the contrary, when subjects enter into interrogations, they have no intentions of sacrificing any of their interests. Interrogation subjects are typically motivated to stake themselves to a position of innocence and to vehemently defend that position. Skilled interrogators overcome these obstacles by creating shared interests, reducing their subject's resistance, and creating perceived benefits for confessing.

Many corporate executives view negotiating skills as both critical to their success and a significant developmental opportunity. According to Northwestern University Professor Victoria Medvec, over 80 percent of CEOs leave money on the table. These executives list nerves, tension, confrontation, pressure, and lack of information as obstacles impeding their ability to succeed in negotiations. LP executives have distinct negotiating advantages as they have experience overcoming confrontation, managing their emotions, and often operating without a clear picture during their interrogations.

In their groundbreaking book, *Getting to Yes*, Roger Fisher and William Ury state that “the reason you negotiate is to produce something better than the results you can obtain without negotiating.” LP executives have several opportunities to improve their negotiation results, including understanding how often they have opportunities to negotiate, identifying methods to maximize their interests, and applying their interrogation skills to negotiations. Experienced interrogators may avoid using their skills in negotiations because they do not want their counterparts to feel like they're

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being interrogated, they don't feel comfortable adapting the techniques, or they feel their title allows them to make demands.

Opportunities to negotiate present themselves daily. These include setting budgets, annual goals, vendor contracts, salaries, schedules, responsibilities for merchandise protections standards, and inventory reconciliation. Standard interview-and-interrogation methods and skills can easily be adapted to provide structure to negotiations. Accomplished interrogators develop the ability to see the big picture and create actionable game plans. They control the conversation, reduce resistance, interpret physical and verbal communication,

and capitalize on effective questioning techniques to close the deal. When applied properly, these skills empower LP executives with significant advantages over their negotiation counterparts.

Preparation and Planning

Interrogators and negotiators should say or do nothing by accident—nothing. Planning for negotiations is nearly identical to planning for interrogations. The ability to succeed in either setting is heavily predicated on the soundness of the initial strategy. The central idea behind preparing for any interrogation is to establish what this subject needs to hear and experience to believe it's in his or her best interests to tell the truth. Similarly, the central idea behind any negotiation strategy is to establish what this person needs to hear and experience to believe that it's in his or her best interests to agree to as many of your interests as possible.

Interrogation strategies are not developed around positions; they are developed around creating the perception of shared interests and benefits. A positional interrogation often starts with the interrogator asserting the subject's guilt and the subject asserting their innocence in response. Positional interrogations quickly devolve into did-not, did-to conversations and rarely end with fully developed confessions. Conversely, interest-based interrogations allow interrogators to develop rapport, show understanding, and convince the subject that the interrogator cares about him or her. Positional negotiations pose similar challenges. Fisher and Ury contend that negotiations can be judged by answering three questions:

- Did it produce a wise decision?
- Was it efficient?
- Did it improve the relationship?

Positional negotiations generally fail to meet these standards. As soon as negotiators dig themselves into positions, they force themselves to defend them in order to save face. Taking positions creates an anchoring effect. A reasonable anchor provides negotiators with a fair starting point from which to make concessions. An unreasonable anchor can damage relationships, inhibit agreements, and potentially end a negotiation before it starts. Accordingly, positional negotiations often end with no, or suboptimal, agreements for both parties. However, negotiations built upon shared interests allow both parties to establish rapport, show understanding, and build toward optimal agreements through creative problem solving.

One significant difference between interrogations and negotiations is the importance of creating lasting relationships. Most interrogators only need to create a positive relationship with their subjects for several hours to accomplish their goals. At the conclusion of the interrogation, the subject is typically terminated and the ongoing relationship diminishes in importance.

Negotiations are the exact opposite. Every negotiation represents one link in a chain of ongoing negotiations. Most negotiation counterparts are business partners. Whether negotiating with vendors, peers, superiors, or subordinates, negotiators need to maintain positive working relationships. Negotiators need to look at the big picture and determine which of their interests are most important, which



interests can be sacrificed the easiest, and how can they manipulate multiple negotiations over a period of years to achieve their ultimate goals. Negotiators love to see their counterparts make concessions. On occasion it may be prudent to concede on several issues, or an entire negotiation, to allow your counterpart to feel like they have “won” and build personal equity for future negotiations.

Identifying Your Goals. The first step in preparing for a negotiation is to identify your long- and short-term goals. These goals should include what you really want, what you will be satisfied with, what you need, and what is the minimum agreement you’ll accept. It’s critical to develop, what is commonly referred to as your best alternative to a negotiated agreement (BATNA). Your BATNA represents your next best option should this negotiation end in an impasse. The amount of leverage either party has during a negotiation is directly related to the strength of their BATNA.

Creating Your Offers. Once your BATNA is established, the next step is to create, what Dr. Medvec refers to as, multiple equivalent simultaneous offers (MESOs). These offers allow you to aggressively negotiate multiple issues at the package level while signaling cooperation and identifying your counterparts priorities. These MESOs provide a platform to make future concessions from while attending to your largest interests.

In the *Art of War*, Sun Tzu states, “If you know your enemy and you know yourself, you will never be in peril in 100 battles.” Additionally, he states that “If you are ignorant of the enemy, your chances of winning or losing are equal.” Finally, he adds, “If you are ignorant of yourself and your enemy, you will be in peril in every battle.”

Understanding Your Opponent. Understanding your needs, goals, and BATNA is only 50 percent of the equation. It is equally important to consider the opposing party’s needs, goals, and BATNA. Evaluating their objectives allows negotiators to anticipate what positions their counterparts would like to take and what interests may drive their counterpart’s decisions. This provides negotiators with the opportunity to use their counterpart’s interests as a means to lead them away from their positions and into the negotiation. Juxtaposing a negotiator’s goals and needs with their counterpart’s goals and needs should identify shared interests to build the negotiation upon. These shared interests may be economical, goal driven, to ease tension, to improve visibility, or to create career opportunities.

Choosing Time and Setting. Establishing a negotiation strategy includes determining who to speak with, when to speak with them, and where to have the conversation. It is important to choose a counterpart who is most likely to be an advocate for your interests. This could mean negotiating directly with the decision maker, or negotiating with someone who can influence the decision maker’s thinking. Negotiators should attempt to choose a time and location for the negotiation that will benefit their interests. This may not always be possible. However, it is important not to underestimate the effect the time and setting can have on a negotiation.

Interpreting Physical and Verbal Behavior

Interrogators are consistently observing their subject’s physical and verbal behaviors for signs of potential deception, submission, and denials. Every interrogator should understand there is no

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single behavior that indicates truth or deception. Interrogators know they must establish their subject's behavioral norm and create a baseline to evaluate future behavior against. They look for behavioral clusters, or multiple behaviors, that deviate from the baseline on time to specific stresses and evaluate them within the totality of circumstances to derive their meaning.

Negotiators can benefit from employing this skill set. LP executives need only to change their focus from "detecting deception" to "detecting discomfort." Negotiators can establish a behavioral norm at the start of a negotiation by asking their counterparts several questions they should have reason to lie about. These questions could involve the weather, traffic, sports, recent company events, or employment information. Once this norm is established, negotiators can evaluate future reactions to their statements and gauge their counterpart's level of acceptance or resistance.

Warning signs of impending denials during interrogations are the same as warning signs of impending interruptions during negotiations. Emphatic denials are preceded by subjects shaking their head, taking a breath, and pressing their lips to prepare to speak. Other common precursors include frowning of the eyebrows or aggressive eye contact.

These same behaviors occur during negotiations when negotiators say something their counterpart disagrees with. As soon as negotiators see these physical responses, they should politely raise their hand, turn their head, speak their partner's name, and ask them to continue to listen. When negotiators stop objections, they stop their counterparts from staking themselves to a position they will be forced to defend, keep control of the conversation, and create an opportunity to reduce their counterpart's resistance by focusing on shared interests and opportunities.

Negotiations are two-way conversations as opposed to interrogations that are typically monologues. The increased dialogue during negotiations makes recognizing verbal cues much more relevant. Negotiators should be ready to react as soon as they detect frustration or anger in their partner's tone of voice. This may be a signal for the negotiator to introduce additional benefits or focus on another area until the tension has passed. Negotiators also want to evaluate their counterpart's tone in comparison to the specific words spoken, as it may indicate a lack of confidence or a question that can be exploited.

Specific denials present further opportunities to negotiators. Listen for statements like "I can't get it done that fast," "I can't go quite that high [or low]," or "I can't give that many." Each of these statements are indications that they are willing to do part of what you're requesting, and now you need to provide them with reasons to move toward fulfilling your complete request.

Other responses of interest may include "I would rather not," "I would prefer a different option," and "I really don't want to." These statements are not denials or refusals. These are indications that

they haven't come to your side just yet, but they are on the fence and are only a few good reasons away from jumping to your side.

Reducing Resistance to Your Interests

The quickest way to obtain admissions during an interrogation is to allow subjects to feel better about what they have done. This is accomplished by providing them with reasons or excuses to physiologically minimize the seriousness of their actions. The quickest way to achieve an agreement during a negotiation is to allow your counterpart to feel better about sacrificing some of their interests.

Negotiators benefit greatly from operating under the following philosophy: *Focus on the issue, not the person; focus on the resolution, not the consequences.*

Focusing on the issue removes emotions and personal attacks from the conversation and avoids causing your counterpart to feel the need to defend themselves. Focusing on the resolution keeps everyone moving toward the end goal, whereas focusing on consequences forces people to take and defend positions. People generally expect negotiations to become adversarial conversations. By focusing on the issue, not the person, negotiators gain an advantage by creating a level of cognitive dissonance for their counterparts. This occurs as they try to reconcile their expectations of an adversarial conversation with their new reality of a collaborative conversation.

For subjects to admit to dishonesty during an interrogation, they must convince themselves that the perceived benefits of admitting outweigh the perceived consequences of not admitting. This principle holds true in negotiations.

For your counterpart to agree to favorable terms, you must



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convince them that the perceived benefits of accepting the agreement outweigh the perceived consequences of refusing the agreement. As a result, your approach to any negotiation should focus on the other party's benefits, not your own. Negotiations focused on positions often create lose-lose agreements for everyone involved. Each party stakes themselves to a position early, digs their heels in, and forces the other party to drag them toward the middle. This strategy typically results in both parties leaving potential value on the table and realizing the full potential of the negotiation.

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The key to reducing your counterpart's resistance is understanding the motivations behind their resistance. When your counterpart shows resistance to one of your ideas, ask yourself: "Why would someone like that be resistant to an idea like this, in this current situation?" The answer may be expenses, time commitment, maybe they are afraid to lose face in front of their boss, previous negative interactions, or maybe they just need a couple minutes to think the offer through. Once negotiators understand the motivation

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behind the resistance, they can effectively rationalize to reduce it by openly acknowledging the root cause.

Prevailing wisdom has held that people make decisions based on reviewing available information and drawing logical conclusions. With his "narrative paradigm" theory, Walter Fisher proposes that people are storytelling animals who make decisions based on good reasons. The significance people place on information and good reasons can vary. However, there is little doubt that compelling stories can be far more persuasive than simply presenting someone with a set of numbers or facts.



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Effective Questions

Direct questions get direct denials. Questions that can easily be answered with either a "Yes" or a "No" should be avoided in any negotiation or interrogation. We have all been operationally conditioned to say "No" since we were children. Interrogators know if they ask someone "Did you..." or "Can you..." it sounds as if the interrogator isn't sure of what he or she is asking. When interrogators ask assumptive questions, such as "When was the first time..." or "How often..." they sound

as if they already know what happened and are looking for supporting information. Assumptive questions often get mislabeled as accusations. Negotiations provide endless opportunities to employ assumptive questions to expand agreements, gain acknowledgment of alternatives, and lock negotiation counterparts into facts.

While negotiating with a vendor, an executive may ask, "Can you please include twenty additional units at the same cost?" Or worse, "Are you sure you can't add twenty more units for the same cost?" Each of these questions will likely be met with a resounding, "No."

A far more effective way to make the same request would be to preface it with a brief, third-person anecdote illustrating mutual concerns to reduce the vendor's resistance in advance of the request.

This rationalization is then immediately followed with an assumptive question, such as, "How many extra items can we add to the current proposal to finalize the agreement?" As soon as the vendor hesitates, the negotiator should exaggerate by saying, "I'm sure we can't go as high as thirty items, right?" When the vendor agrees with the follow up question the negotiating executive should support his statement and continue with another assumptive question, such as, "I didn't think so, but how much longer would the shipment take if we added twenty items?"

When negotiators continue this cycle of minimization statements and assumptive questions, they reduce the ability for their counterparts to take positions and focus the conversation on maximizing mutual interests. Employing assumptive questions also allows negotiators to focus on multiple offers simultaneously and achieve agreements to ancillary issues while building momentum toward the final agreement.

Closing the Negotiation—Applying the Participatory Interview

The various forms of negotiation are infinite. As a result it is impossible to point to one technique that can be used for maximum effect in any negotiation. Some negotiations will require you to take the lead, while others require negotiators to allow their counterparts to lead. Some negotiations will call for bigger sacrifices in the short term to obtain larger long-term gains. Still other negotiations may force negotiators to fight hard for valuable interests.

Most interrogation techniques can be modified to assist in virtually any of these scenarios. The participatory technique adapts well to negotiations. The principle behind the participatory

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interrogation technique is to lock subjects into a story, series of events, or clear understanding of procedures before accusing them of any wrong doing. Negotiators can reverse engineer agreements using their counterpart's interests, motivations, and resistance to their advantage by locking their counterparts into an agreement before making a proposal. It is much harder for your counterpart to reject your proposal if they have previously agreed to the reasons and principles behind it.

It is safe to say that everyone likes getting paid more money, so we will use a salary negotiation as a template to demonstrate how this technique works. For example, let's say you've been promoted to a regional LP manager position, and you walk into the director's office to discuss your salary. You will surely not receive a satisfactory answer if you open the conversation with, "Can you please pay me more money?"

A more productive route to take would be to prepare in advance by considering what factors go into salary increases and why the director would feel good about agreeing to an increase. These factors may include number of stores, sales volume, shrink percentage, geographic location, relocation, tenure, travel obligations, and the visibility of the role. Reasons the director may feel better about providing the increase could include seeming fair, adhering to precedents, providing motivation, or rewarding loyalty. After considering the key factors and reasons, choose the best time and location for the conversation.

You may start the negotiation by saying that you want to make sure you understand how to fairly assign compensation and asking him what factors he would consider before approving an increase. As he answers, take your time and walk him through each of the factors you prepared. After he agrees with these factors, follow up by discussing reasons to ensure salaries are commensurate with the factors you just discussed. By agreeing with these reasons and factors, the director has painted himself into a corner. It will be hard for him to contradict himself and refuse your request for a salary increase.

Now that you have prepared your counterpart to receive your request you may ask, "Great, I am glad we are in total agreement and based on this discussion how large an increase can you approve for me?" When your director pauses, say "I'm sure we can't go as high as \$10,000 right?" Support your director when he says "No" and begin to rationalize toward a smaller number.

Focus on how the increase will benefit him and the organization, how the factors you previously discussed apply to you, and how you plan on earning the increase moving forward. Once it appears that his resistance has been reduced, pose another assumptive question, such as "What kind of



Negotiations are all about relationships. Negotiators need to check their egos at the door, avoid taking positions, find creative ways to maximize interests, and cause their counterparts to feel good about conceding their interests. Remember, negotiating is not about making your counterparts feel like they have lost. Negotiating is about making your counterparts feel like they won by agreeing to your interests.

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an increase do you feel would be appropriate?" When he hesitates, exaggerate with something like "Do you think it could be as much as \$7,500?" When he says "No," tell him that you completely understand and suggest \$5,000.

If your director appears to be on the fence, be prepared to offer performance benchmarks you would need to hit for the increase to take effect. The open dialogue allows you to introduce paid time off, a company vehicle, or other potential benefits into the conversation.

Conclusion

There is no single solution for adapting interrogation techniques to negotiations. The totality of circumstances surrounding each negotiation needs to be considered before choosing the appropriate technique. A well-rehearsed game plan provides negotiators with confidence and a path to success. When adapting interrogation techniques to negotiations, it is imperative to make sure your counterparts do not feel like they are being interrogated. Negotiators who capitalize on their counterpart's behavior, reduce resistance, and use assumptive questions give themselves greater chances to be successful.

Finally, negotiations are all about relationships. Negotiators need to check their egos at the door, avoid taking positions, find creative ways to maximize interests, and cause their counterparts to feel good about conceding their interests. Remember, negotiating is not about making your counterparts feel like they have lost. Negotiating is about making your counterparts feel like they won by agreeing to your interests. To quote Sun Tzu: "To subdue the enemy without fighting is the acme of skill." ■



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